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Dundee Discussion Papers in Economics

International Students' Mobility to China; The latest trends and their causes

Rida Amjad & Andrzej Kwiatkowski

International Students' Mobility to China; The latest trends and their causes

Rida Amjad¹, Andrzej Kwiatkowski²

Abstract

In 2005, USA, UK, Germany, France and Australia were the major host countries in transnational education market (OECD, 2007, p. 304). However, due to China's plan of action and strategies, China emerged as one of the top host destinations as it ranked fifth in the world in 2007 which as a result have decremented the share of international students absorbed by the competitor countries posing a threat to their share in transnational education market. In accordance to this, the objective of this paper is to define the critical determinants that is causing the shift of international student mobility (ISM) towards China. This change to study in detail is interesting because it encompasses the critical marketing strategies that China adopted to cause the shift of ISM towards them. The literature review and analysis suggest that factors causing international student mobility towards China is the booming economy of Asia and policies of China.

Keywords

International student mobility, International education, China education, transnational education, education policies

JEL Classification: I21, I23, I28

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Introduction

Background Information

Transnational education (TNE) sector has been booming over the last three decades as a result of increasing demand for higher education. The Careers Research & Advisory Centre (CRAC) defines TNE as “The provision of education for students based in a country other than the one in which the awarding institution is located (CRAC Ltd, 2014). TNE generally involves movement of students to the location of an awarding institution unless a student decides to pursue distant learning program. The movement of students is advantageous not only to the students but also to the institution and the recipient country involved in the process. There has been a lot of research done on what triggers the global student mobility and has been majorly associated with their motivation and expectations. According to Liyanage & Walker (2014), a student expects to earn a foreign degree in order to attain capacity for job preparation and engage in multicultural landscapes. In addition, Azmat et al., (2013) have highlighted economic wealth factors such as family income and financial security as influential decision making factors of students. Students see overseas qualification as a key to obtain jobs in good corporations or to use them as opportunities to move abroad. Ultimately the motivations to get economic benefits and have an improved lifestyle is what researches believe inspires this transgression. We will discuss the details in literature review how motivation and expectations of students shape their decisions which causes student mobility. The vital device to understand is that how is it beneficial to the recipient institution as well as the country. The most obvious advantage for the institution is the financial revenue they make from the fee-paying international students. For example, Singh et al., (2008) have highlighted that there is a general acknowledgement how international education has a profit-driven orientation that positions educational institutions as service suppliers and international students as target service receivers in this marketing context. However, fee paid by an international student is not the only economic contribution and also encompasses the contribution of student as researchers which also generate income itself and develops the economic capacity and competitiveness of both corporate and national economies. The advantageous relation of international students, recipient institution and host country have developed TNE sector as one of the most growing ones. Hemsley-Brown & Oplatka, (2006) calls higher education sector as an export industry due to global student mobility and profit earning nature.

The increase in global student mobility is evident within the post war aid time when the programs were designed to build the economic infrastructure and meet the skill labour requirement for the newly formed states. The world experienced increase from 600,000 to 1.2 million international students’ mobility between 1975 and 1990. By the year 2006, the international student mobility had reached 2.9 million (Douglas and Edelstein 2009; Ruby 2009). During this decade, the major competitors in transnational education were referred to as the “Big Five” including: United States of America (USA), United Kingdom (UK), Germany, France and Australia respectively in order of receiving highest

number of international students (OECD 2007, p.304) but these countries did not maintain the high ranks for very long. With introduction of China, the Republic of Korea and New Zealand as destinations, the transnational education market experienced a dramatic change as international students going to US, UK, France and Germany decreased from 67% in 2004 to 62% in 2007 (UNESCO, Institute for Statistics, 2007, 2009). According to the New York based institution, China emerged as a major host country to international students majorly in year 2007 when its international enrolment ranked fifth in the world behind USA, UK, France and Germany (Hvistendahl, 2008). In 2007, China hosted more students than it sent abroad and the comparison can be seen in the table below:

Table 1: Comparison of number of students China hosted and sent abroad 2007-2010 (Pan, 2013)

Year	Students sent abroad	Students hosted
2007	144,000	195,503
2008	179,800	223,499
2009	229,300	238,184
2010	284,700	265,090

Furthermore, China hosted 292,611 students in 2011, 328,330 in 2012 and 377,054 in 2014 (ICEF 2015). The international students which China hosted were mainly from the Republic of Korea, the United States, Japan, Thailand, Vietnam, Russia, Indonesia, India, Kazakhstan and Pakistan (Ministry of Education, 2011). It can also be observed that students from Europe and America has increased from less than 15% in 2003 (11,165 out of 77,715) to 22% in 2006 (36,295 out of 162,695) and more than 27 per cent in 2011 (79,604 out of 292,611) (Pan, 2013). The increasing demographics explain the increasing number of students with every passing year, but the objective of this paper is to find other factors that play a huge role in this dramatic growth of international student mobility to China.

Why is this topic important?

As discussed, transnational education has become a vast sector with voluminous amount of investment involved as it encompasses not only the mobility of investment but also the global talent, resulting in high competition in the market amongst host countries. There has been variation in trend as discussed earlier of international student mobility and focus of this paper is towards China. It is important to understand this variation and to determine the factors that are causing it by international students, competitor host countries and competitor institutions.

As argued by Singh et al. (2008), there is a general agreement that the transnational education market has a profit-driven orientation. This nature has driven the host countries as well as the host universities to introduce marketing strategies to attract a higher number of international students. It has been predicted that by 2017, the global middle class is projected to increase its spending on educational

products and services by nearly 50 %, from \$4.4 trillion in 2012 to \$6.2 trillion. Along with the Big Five countries, many other countries have been introduced as host in transnational education market to claim major share in this global spending. Besides aiming for profits and attracting foreign investments, the rationale also includes creation of mutual understanding approach to the inter-nationalization of higher education (Guruz, 2011). In addition, countries are also looking to attract global talent and developing human resource to strengthen their industrial economy. Moreover, Research and development at industrial levels have emerged to occur at multiple locations and therefore by hosting international students from the globe, critical research work is generated improving institutional rating and modernizes the nation. These examples are the reasons why leaders of China realized to modernize in science, technology, industry, agriculture, defence and had opened its educational system to the world (Guangui, 1999).

The determinants highlighted in this paper can help in understanding what crucial strategies China has been following to cause increasing ISM in their favour. This paper will help in understanding the long term as well as short term plans designed by China to bring this change and can be helpful for policy makers in designing policies as well as for marketers of institutions in designing marketing plans.

Methodology

The objective of this paper is to highlight the critical determinants which have caused the ISM shift to China. Even though it is not 2020 yet, China is meeting all annual targets to achieve ultimate target of 500,000 international students in 2020. This statement explains that there must be a number of factors which are playing a huge role to cause this. In order to determine them, this paper have studied the “push-pull” model given by Altbach (2007) and the theory of expectations and motivations as given by (Martin, 2002). Research was done by using journal articles, books and newspapers. Using the literature, Policies of China and the host institutions were analysed in depth and then the aforementioned theories were applied to them to highlight why are they critical determinants. It has been suggested that booming economy of Asia and policies implemented by Chinese government are significant determinants. The paper will also encompass highlighting unique factors associated with source countries that contributes to ISM towards China.

Literature Review

International Mobile Students

In today’s world, there is an increasing competition amongst countries in effort to recruit international students. For the host institution, international students are not only a source of income in terms of international fee, but also encompasses the contribution of student as researchers which also generates income itself and develop the economic capacity and competitiveness of both corporate and national economies. For the host country, international students are skilled labour which could act as supplement to their slumping populations. In this recruiting which resembles conflicts of war to attract international

students, it is important to understand what this term means. OECD (Organisation for Economic Co-operation and Development) in the 2006 edition of *Education at a Glance* defined ‘international students’ as those “who expressly cross borders with the intention to study” but this definition raises a question if permanent residency or only citizenship of a student makes them international student. To eliminate any misunderstanding, UNESCO in *Global Education Digest* (2006) introduced the concept of ‘international mobile students’ as “individuals who leave their country or territory of origin and travel to another for the purpose of studying there” and showed that student should leave their country of citizenship only to be an international student (Line & Veronica, 2007).

A lot of research has been done in the past to determine critical factors that generally causes International student mobility. Zheng (2003) highlighted critical factors that generally causes ISM in terms of percentage of their importance as given: economic factors (29%), educational factors (27%), student’s personal factors (15%), social factors (13%), cultural factors (9%) and political factors (7%). Besanko & Braeutigam (2005) stated that tuition fee is the most important factor to consider for a student who goes to study abroad. They proposed that there is an inverse relationship between the domestic tuition fees and domestic higher education enrolment. Similarly, Campbell and Siegel (1967) and Leslie and Brinkman (1987) figured out a negative price demand of elasticity with respect to tuition fees. Dong & Jing, (2008) in their empirical study of determinants of international student mobility marked Foreign direct investments in the host country, young generation, distance between host country and source country and Purchasing power parity.

The Push-Pull Model of international student mobility

The Push-Pull model explains the trend of international student mobility over the past years. Therefore, we will discuss the literature of this model to be able to apply it on the factors that trigger the movement of students towards China. The push-pull model was initially used in the theory of migration (Lee, 1966) to explain what factors affect the migration of people. This model is applicable to International Student Mobility (ISM) too. The push-pull model has also been used to study the decisions or motivation to study abroad (Maringe & Carter, 2007) and students choosing their host destinations (Chen, 2007; Eder, Smith, & Pitts, 2010; Mazzarol & Soutar, 2002; Muntasia, Jiang, & Thuy, 2009; Yang, 2007). Mazzarol and Soutar (2002) after a detailed study of prospective undergraduate and postgraduate students in East Asian countries suggested that the economic and social situation of home countries acts as a “push” factor. Altbach (2007) in addition to this argued that push factors could be lack of educational, employment opportunities and political instability in home country. For example, the wages in developing countries is lower comparative to the developed countries. The low wage for the same level of job description in a developing country pushes the students to study abroad where they can potentially get paid more for the same job. This difference in wage plays a huge role in causing international student mobility towards developed countries for example UK, USA etc. In addition to

this, the knowledge and awareness of the host countries act as “pull” factors. This is the reason why universities need strong marketing plans and a unique selling point (USP) to come into awareness of students and effect their decisions. Many universities like Massachusetts Institute of Technology, Harvard University, University of Oxford etc. due to their strong research contribution maintain high rankings in reputable university rankings for example Times Higher Education (THE) and QS World University Rankings and hence attract voluminous admission applications from international students. Others use after-graduation employment rate, student satisfaction rate etc. as the USPs and pull students from the globe. Altbach (2007) suggested specific educational opportunities and general economic and social dynamism as well for pull factors which explains that policy, economic situation and social situation of host country also plays a major role in pulling students.

It can be suggested that the push-pull factors influence behaviours of international students depending on their motivation and expectations. Motivation as defined by (Martin, 2002) is a term which can be conceptualised as “students’ energy and drive to learn, work effectively, to achieve their potential at school and the behaviours that follow from this energy and drive”. Expectations on the other hand as defined by (Azmat et al, 2013) is “preconceived ideas or strong beliefs that something will take place or be the case”. It is usually the policies of host countries and the marketing of host institutions that design expectations of students and pull them from their countries. Despite all the pull-push factors, it is the innate energy in a student that gets them cross border to acquire education. Hence it can be suggested that motivation as well as expectations of a student is a critical driving force of behaviour and significantly influence outcome and achievements (M. Kay, 2013). We study this theory because motivation of a student plays a crucial role in students’ interest and ultimately influences their decisions.

Most of the research work done on Push-pull factors, indicate that these considerations vary for each country. For example, Li and Bray (2007) demonstrated that reputation of an institution is a pull factor in student choosing a host institution for China to Hong Kong and Macau. Cantwell et al. (2009) on the other hand highlighted academic university ranking as a significant factor pulling students to Mexican universities from Latin American countries. It is because of possessing different push-pull factors, we will evaluate the statistics of international students in China in this paper and evaluate for each country, their relevant push-pull factors to understand the International student mobility towards China.

International student mobility to China

In this section, we will review the previous research work which has been done to realize the crucial factors that have been causing the ISM shift to China. Peter & Vogl, (2012) in their book *International Students in the Asia Pacific* highlighted increasing use of English language, relatively inexpensive tuition fee and growth of private higher education in Asia since mid-1990s as the main factors to facilitate the growth of foreign students in China. Bunnag (2010) in addition, marked new opportunities for jobs and growth as a result of booming nature of the Asian economies as the pulling factors for

foreign students who are looking for good jobs and a better quality of life to come to China. Various researchers like Findlay & Tierney, (2010) ; Marginson, (2009) ; Ng, (2012) suggested that the increasing number of international students in China is the result of neo-liberalism, characterised by its export-oriented market-driven approach towards higher education. Contrary to this, Pan (2013) argued that China's approach to attracting international students is not the result of neo-liberal ideology and have not just been motivated for the pursuit of economic gain. According to Pan (2013), it is China's state-directed efforts to establish a global education network that has contributed the international student flow in its favour. Pan (2013) highlighted four factors:

1. Playing with international conventions for example signing Mutual Recognition Agreements, or offering degree programs jointly with foreign providers;
2. Providing financial support such Chinese government scholarship, Great Wall Scholarships, etc.;
3. Promoting the importance of Chinese language to reduce language barriers with international investors and ;
4. Curriculum and program development by improving quality and broadening the study options.

According to Monitor ICEF (2004), expanded work opportunities for foreign students plays the most vital role specially in attracting students from neighbouring countries across Asia.

Discussion and Analysis

In the last section, we have discussed the detailed literature review on International student mobility, the push-pull model, expectations and motivation of a student and previous research findings on critical determinants that have caused ISM shift to China. Now, the paper discusses the major factors that have played a crucial role in attracting international students to China, in support with push-pull theory and findings from the past research work. According to this paper, we have broadly categorised the factors in as given:

1. The role of booming economy of Asia
2. Policies in china
3. Other factors relevant to different source countries

The Role of Economy and growth of job openings

Asia which was once referred to as the “third world” showed rapid economic growth specially China. According to China Statistical Book (2003), China had gone through an economic development with Gross national product (GNP) growing at an annual average of 9.2% between 1993 and 2002 (China, 2003). The strong Chinese economy exerts a strong pull on prospective international students. Economic disparity, being one of the major factor causing international student mobility (Zheng, 2003;

Dong & Jing, 2008) is suggested to have a huge role in causing ISM shift to China. As a result of an economic development, The Chinese Ministry of Human Resources and Social Security MHRSS) reported in 2013 to have added 4.73 million jobs in the beginning of four months of that year (ICEF, 2014). Moreover, for the year 2015, China reached 7.2 million in the first six months. This expanded work opportunity is a magnet to students who expect to use their overseas qualification to obtain a job with reputed firms which is tough in today's competitive global employment market. Tej Bunnag, a former Thai Minister for Foreign, stated that the international student mobility towards China if seen in economic terms can be justified by a gradual shift of global economy to Asia (Bunnag, 2010). Since the increasing job opportunities plays a main role to pull international students, the question is if China can continue to maintain growth of new jobs. According to Job Market German Chamber of Commerce in China (2015), Government of China started support programs to maintain the growth of new jobs including training programs, tax incentives and encouraging entrepreneurship among the population by easing restrictions and provision of financial support which resulted in 2 million new start-ups between January and June 2015, an increase of 19.4%.

Initially, the foreign students were not allowed to work part time or do internships whilst studying which resisted the ISM shift to China. But the government made amendments as of July 2013 in their policies and allowed them to do part time jobs or internships with permission of their host institutions and Chinese immigration authorities. The rationale behind is best explained by (Guruz, 2011) who argued that with increasing demographic trend, well-trained young minds are a crucial asset in this global knowledge economy. Therefore, a number of countries with advanced higher education systems are recruiting foreign students and providing numerous incentives for them to join the workforce of the host country (Docquier, 2006; Hira, 2003). Knight (2004, 2008) called this rationale of human resource development of host country as "brain-power" which will aid capacity-building and boost industrial economy in the longer run. China is therefore witnessing increased competition for access to global human capital, and have taken actions to attract international tertiary students and scholars; as these highly educated and skilled personnel often possess the knowledge, technological abilities, ideas and information necessary if nation states are to retain or increase their competitive advantage in technology, economic development, research and education, the competition for these individuals is keener than ever before (Kuptsch, 2006; Root, 2007).

This factor also explains the slight decrement of share of international students towards other countries. According to The Guardian (2016), the British economy is slumping at fastest rate since 2009 and there is pressure on the Bank of England to ensure they do not slide into recession. It is evident that the economy of UK has been slumping since Brexit, if the economy does play a factor in international student's mobility, then the UK might take a hit and other competitor countries like China will acquire more international students to enrol.

Policies in China

Policies designed by government of China play a pivotal role in attracting students from the globe in short as well as longer run. Huang (2003) divided the internationalization phase of Chinese higher education in to two: First phase i.e. from 1978 to 1992 was when the government emphasised on sending their students abroad, inviting visiting scholars from abroad, and learning English. The second phase i.e. from 1993 till present is marked by encouraging those who were sent abroad and Chinese scholars to come back, attract more foreign students and internationalize curricula whose incentive is to attract foreign students. Bista (2015) on the other hand divides China's international education into three major periods. According to Bista, the first phase from 1950 to 1977 was when international education was borne out of political needs, students were from Eastern Europe, Africa and neighbouring socialist countries and the Chinese government covered all the expenses. The second phase was from 1978 to 1989 when China opened to the outside world by enrolling self-funded international students. This is when Hanyu Shuiping Kaoshi (HSK) was marked as a standardized Chinese language proficiency test for students to be able to pursue a Chinese degree. The third phase is marked from 1997 onwards when the Chinese Scholarship Council was established by the government in accordance with foreign governments, organizations and educational institutions. It can be suggested that international education started off as a political need of China, but then continued as to make the country one of the biggest host destinations.

According to (Garrett, 2004) the current Chinese policies aim to increase national capacity by creating the best universities and institutions which is a more cost effective alternative then to send students abroad as well as reducing brain-drain. There are number of steps taken by the government of China which can be broadly divided into the given:

1. Curriculum development
2. Investment on Technology and modernization of institutions
3. MRA and satellite campuses
4. Provision of financial support

Curriculum Development. To go international, the basic step taken in the domain of curriculum development was the introduction of English language as the language of instruction. This was marked by a representative of PRC Ministry of Education in Going Global 2011 who stated how China is focusing on developing more English language teaching courses (International Business times, 2011). In order to introduce English as a language of instruction, management staff were trained through international exchange programs with various Western countries (GAO (Government Accountability Office), 2009). The rationale of introducing English language is because it is Latin of the twenty first

century as referred by Altbach (2004) for being widely spoken as well as studied language. English is considered as a global language as Kumaravadivelu (2006) argued that English in its role as a global language creates, reflects and spreads the import and imagery of the global flows. Many students expect to be taught the degrees in this language and therefore can China successfully meet their expectation.

In today's world, considering how much the world is globalized and the consideration that English is the official language throughout, it can be seen as a threat to local linguistics. Although China acknowledged the importance of English Language in this global setup, it has included and has been promoting the importance of Chinese language and sinology and have used both domestic and international higher education resources to enhance both enrolment and programme capacity as means to attract international students in response to preserve, protect and promote Chinese. Institutes like Confucius were opened with the goal not only to promote Chinese language and culture but also to contribute to cooperating in developing multiculturalism and working together and the number of institutes have reached to 500 in 2015 for 104 countries according to Hao Ping, Vice Minister of Education (Kumaravadivelu, *GLobal Mandarin: Promoting Chinese Language and Culture in an Age of Globalization*, 2012). The efforts of these institutions resulted in enrolment of about 86,679 students to study Chinese-language in 2005 which was about 60% of the total international students. Besides the governmental efforts, the main reason why international students wanted to study Chinese language was because of its usefulness of doing business. According to Office of Chinese Language Council International (2007), students study Chinese to remove language barriers with Chinese investors for which 12 state ministries and commissions jointly administer and support Chinese language programmes in other countries.

Furthermore, another step taken was broadening of the curriculum and development of numerous programs. As highlighted by China Scholarship Council (2011), China has merged specialized schools, such as engineering and supplemented more academic programs to form institutions with broader curricula like sinology, Chinese medicine, business, management, sciences and technology, arts and sports. These programme specialisations are offered at 620 universities in 31 provinces, autonomous regions and municipalities (China Scholarship Council, 2011).

Investment on Education, technology and Modernization of Institutions. The highlights of change in internationalization phase of Chinese higher education is marked by high investments made by the government. As part of China's five-year plan 2016 to 2020, it has highlighted the commitment to improve the quality of Chinese higher education. To meet the goal of raising 3 of its top universities into first-rate global institutions by 2020, the government spent \$2.2 billion in just the first phase of Project 985. Project 985 is a project which was announced by CPC General Secretary and Chinese President Jiang Zemin in year 1998 to promote development and reputation of Chinese Higher education system (UKY, 2016). The result of this investment paid off as Tsinghua University has

reached top 20 universities in the Times Higher Education World Reputation and stands 18th (JLL, 2016). The investment to increase institutional capacity include encouraging private funding for China's higher education and modernization of school's facilities and equipment. In the past research, expenditure of government on higher education to provide high quality of education, comfortable learning environment, open study atmosphere, modern education facilities and adequate funding for research are considered to have a positive influence on international student enrolment (Dong & Jing, 2008) and is bringing positive outcomes for China as well. It is mostly because students today look for not only the top-ranking universities but also a world-class educational facility. According to JLL (2016), through the world-class educational facilities, burgeoning middle class are mostly attracting due to their buying power, willingness to travel and spend on quality education.

Mutual Degree Recognition Agreements (MRA) and Satellite Campuses. One of the strategic moves by China was its attempt to get quality and standard of higher education of China endorsed by foreign institutions in developed countries. In order to do so, China after joining World Trade Organization (WTO) in 2001 started to pursue Mutual Degree Recognition Agreements (MRAs) with other WTO members including Germany, United Kingdom, the United States, Canada and Japan (Ministry of Education, 2006) and now they have established MRAs with 34 countries (International Business times, 2011). MRAs as defined by Accreditation (2016) is "an accord by which two or more accrediting entities agree to provide equal recognition to all programs accredited separately by each one of the entities who are parties to the accord". The rationale behind MRAs for China was to gain international recognition for the quality of higher education being provided in China and eventually improve its ranking in the transnational education market.

Another strategic move by China was to be home to satellite campuses of the reputed universities. Currently, University of Liverpool and University of Nottingham have satellite campuses in China which is another excuse to attract international students and attain higher education from a UK endorsed institution but in China. Moreover, Chinese institutions are offering degree programs jointly offered by their reputed foreign partners which is another strategic move to highlight the high quality of education to attract international students.

Provision of Financial Support. Financial support for obvious reasons attracts international students to study abroad. As the basic rule in economics, all customers are price sensitive and a price reduction of a product/service will increase its demand. In the world of education, students are treated as customers to education which is a service provided in return of a tuition fee. If a high quality education is being provided but on a smaller price, it should attract international student and influence the mobility. Campbell and Siegel (1967) as well as Leslie and Brinkman (1987) showed that this economic phenomenon in relation with the education industry stating that demand elasticity of enrolment with respect to tuition fees is negative. China in terms of financial support to international students have been

very generous and offers a wide range of scholarships for example: Chinese government scholarships, Great Wall Scholarships, the Excellent Student Scholarships and the Chinese Proficiency Test Winner Scholarships which cover medical and health insurance coverage (Ministry of Education, 2005). There are separate scholarship programmes for certain regions for example Study in Asia Scholarship programs which are to provide financial support to students from Asia and Bridge scholarships for American students to study in China. Chairman Xi in addition pledged to provide over 18,000 scholarships for African students to boost the African students incoming in China (Obulutsa, 2013).

In 2007, the China Scholarship Council awarded about 10,000 full scholarships, at a cost of about 360 million yuan (about US \$52 Million) to international students. In 2010, this amount was decided to be doubled to 800 million yuan (about US \$121.7 million) and the number of awards were increased to 22,390 (Ministry of Education, 2011).

Considering the amount of scholarships, it can be said that most of the students coming to study in China have received some kind of financial support. This is one of the major factors that makes China stand out from its competitors because host competitors like the USA and UK have high tuition fees and comparatively lower financial scholarship opportunities. Since scholarships are competitive, it involves attracting genius minds from the globe to come to China, adding value in terms of research work and improving ranking of institutions.

Other factors relevant to different source countries. As we discussed before in this literature review, for every country, there are different pull-push factors that generates student mobility. Factors aforementioned is mostly applicable to all the leading source countries who send their students to China, but for some countries there are unique reasons only associated with the source country and China resulting in ISM to China. The top ten countries of origin were Republic of Korea, the United States, Japan, Thailand, Vietnam, Russia, Indonesia, India, Kazakhstan and Pakistan. Total number of international students in 2014 in china were 377,054 and the following table states the leading source countries to send their students in China with number of students and their associated percentages.

Table 2: The leading source countries to send students to China 2014 (IIE, 2016)

Rank	Place of Origin	Number of Students	Percent of Total
1	South Korea	62923	16.7%
2	United States	24203	6.4
3	Thailand	21296	5.6
4	Russia	17202	4.6
5	Japan	15057	4.0
6	Indonesia	13689	3.6
7	India	13578	3.6
8	Pakistan	13360	3.5
9	Kazakhstan	11764	3.1
10	France	10729	2.8

As evident from the table it can be seen that the biggest source country to send students to China is South Korea. As evident from international students emerging annually from South Korea, it can be suggested that education is the key to success for South Koreans. According to Study in China (2016) Korean parents spend \$17 billion annually on academics. Earlier, their choice of destination was USA but with the passing years, a downtrend has been observed. Jeyup S. (2013) in The Wall Street Journal suggested that it was because China and South Korea have started to grow as increasing trading partners and consequentially have led to improved relation in education as well. Moreover, it is also because English is the language of instruction in USA. Whereas South Koreans are more willing to learn Chinese as employers in China for example Samsung Group or Hyundai have offered to give bonus points to candidates with Chinese language proficiency. The increasing interlinked economies of the two countries is also a unique factor contributing to increasing number of students from South Korea to China (Jeyup S., 2013).

Another interesting source country that have largely contributed to ISM to China is its major competitor itself, USA. China is the fifth largest host of U.S. Students participating in study abroad programs (Raisa, 2013) and if seen in Table 2, U.S. is the second biggest source of international student to China, hence it was important to study what is the unique factor which is causing this trend. It can be suggested that the increasing number of students from US were because of a 4 year education program, announced by President Hu Jintao and his US counterpart Barack Obama as a result of Obama's visit to China in 2009 (International Business times, 2011). Both the countries through this program are willing to strengthen the bilateral ties. The program aimed at bringing 100,000 Americans to study in China. Similarly on visit of President Hu Jintao's visit to USA, Michelle Obama reinforced support to the education program and urged students to study in China. It can be suggested that the reason for this program was to improve US-China relation. The bi-lateral ties are strategically critical to the development of economic markets, energy and sustainability issues, international development, and global security (Raisa, 2013). The program encompassed dual and joint degrees, full degree study in China, Chinese language course, US Student participation in exchanges between US and China, Study tours, internships in China, Volunteer work in China, teaching abroad programs, Research projects etc.

There are factors unique for countries from Asia that favours ISM to China. As evident from Table 2 and according to Ministry for Education (2011), China hosted students from 194 countries, but 67.84% of them were from Asia. It can be seen that the major factor that plays role in interregional student mobility is the strengthening economy of Asia. Also, we have discussed how financial grants specifically for students in Asia have attracted voluminous applications from Asia, but there are other factors that are uniquely applicable to Asian countries and have effected ISM in favour of China. The factors were proposed by Dong & Jing (2008) i.e. close vicinity and purchasing power parity but have only been linked to Asia-China case in this paper. By distance, we mean not only the closer proximity but also the economic and cultural proximity. Higher distance leads to higher travelling cost, although

this factor should be negligible considering how global the transnational education market has become. But cultural proximity has a huge influence because it makes it easier for the students to get used to the environment and leads to comfortness. Moving to a country with almost the same culture prevents culture shock but it largely depends on what is the expectation of a student. Some students expect to experience different culture and therefore choose to study in a country with completely different cultures. Secondly, Purchasing Power Parity (PPP) is another factor said to have a major influence in attracting students from Asia. PPP as developed by Gustav Cassel (1921) states that “price levels in any two countries should be identical after converting prices into a common currency i.e. exchange rates” (Pakko and Pollard 2003). PPP brings into consideration the living cost and inflation problems of different countries. For example, a student from Pakistan if they needed to go to China would require to convert approximately 16 PKR to get one Chinese Yuan but 104 PKR to get one US Dollar or 137 PKR to get one British Pound. Moreover, living cost of Pakistan and China are more comparable and is extremely different for US, UK etc. Therefore a student from Pakistan, it is comparatively easier to afford exchange rates as well as the living cost in China.

Conclusion

This paper aimed at defining the critical determinants that have caused the shift of ISM of international students to China. The motivation to study the factors came from realizing the past year trends of increasing mobility of students towards China and China’s vision in announcing their goals of reaching 500,000 international students by 2020. The determinants highlighted in this paper can help in understanding what crucial strategies China have been following to cause increasing ISM in their favour.

After thorough study of journal articles, books and newspaper articles, it was realized that the major factor towards booming growth of international students in China was the role of the booming economy of Asia and the resulting job openings in China. From student’s point of view, when they choose to study abroad, they also expect to find a job that pays off to them in today’s competitive market. Currently with the difficulties in finding employment in the UK or US, China have reached over million job openings in 2015 and have promised to offer the same by encouraging entrepreneurship. It mostly pulls the students from country’s where either it is hard to get a job or a job with good salary and benefits for example Pakistan, India etc.

Moreover, another important factor that have played a critical role in pulling students from abroad is the policies designed by the government. In this paper, we broadly categorized the policies of China into curriculum development, investment on technology and modernization of institutions, getting MRAs and opening satellite campuses and providing financial support.

- (a) For Curriculum development, China focused on introducing English language as the language of instruction since it is considered as the global language today because it is spoken and used

officially in most of the countries. Introducing English language fulfils the expectations of students to be taught in the language that they understand. However, introducing English did not stop China in promoting Chinese. They opened Confucius and put great effort in preserving, protecting and promoting Chinese. Numerous international students got enrolled to study Chinese for which we realized that the rationale was to be able to do business with Chinese investors. Furthermore, China also broadened their curriculum by introducing many academic programs in order to compete with the major host countries which offer degrees, specialization with a wide variety and options.

- (b) It can also be concluded that governmental investment on education including its Project 985 paid off to have Tsinghua University to reach top 20 in the world. Being on top ranking acts as a USP and attracts voluminous student applications. According to previous research, it has been proven that investment on education and school facilities to meet international student's expectations for comfortable learning environment and therefore have a positive influence on international student enrolment.
- (c) One of the policies to prove its world-class education provision was to get endorsed by international pre-known bodies via pursuing Mutual Degree Recognition Agreements. Moreover, China have hosted satellite campuses of reputed universities like University of Nottingham in Ningbo where students come to China to study in well-known universities.
- (d) The Chinese government has proven to be very generous in providing financial support generally as well as based on different regions. According to previous research, the lesser the tuition fee, higher is the demand of it which is evident by the increasing number of enrolment of international students in China. Considering lesser financial support in other major host countries, this factor helps China stand out amongst its competitors.

In addition to this, it can be suggested that there are different push-pull factors for different countries depending on its socio-economic situation as well as depending on its relations with China. In this paper, a few factors were highlighted which were unique to the sending countries and were as follows:

- (e) South Korea which was initially sending most of its students to US have changed its trend and the majority of its students are choosing China as its host destination. Increasing number of South Korean students in China is mainly because of the emerging relation of trading partnership among them. Also, Students in South Korea are keener to study Chinese because of higher demand of Chinese language as a skill for several job opportunities in South Korea.
- (f) USA on the other hand, which is also China's major competitor in transnational education market tend to send voluminous students to China for education. This again is due to emerging bi-lateral ties and programs introduced by President Hu Jintao and Barack Obama in 2009. The sender country itself promoted their youth to choose Chinese as its host destination to improve mutual relations

- (g) As discussed, about 67.84% of the students which come to China are from Asia. It can be suggested that close vicinity and purchasing power parity plays are the key factors contributing to pulling students from Asia. Since higher distance leads to higher cost, higher cultural differences, students in Asia tend to be closer to their home but also get an abroad experience at the same time. Purchase Power Parity on the other hand gives students cost advantage when converting their currency into Chinese, making it comparatively easy for them to afford exchange rates.

All these factors have been catalysing the process of China in terms of achieving their goal of 2020. Beginning as the world's largest sender of students abroad, through these strategies it has evolved to be a top host destination and a provider of world-class education in the world.

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